

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Environmental Conservation Administration Results Delivery Unit Budget Summary**

## Administration Results Delivery Unit

### Contribution to Department's Mission

Provide administrative support and policy direction to the divisions in the department.

### Core Services

- Develop partnerships and work cooperatively with the regulated community and other government and non-governmental stakeholders to protect human health and the environment.
- Lead department employees to accomplish department priorities and performance measures.
- Represent the department's authorities and responsibilities on the Governor's cabinet.
- Work with the legislature on the department's budget and legislative priorities.
- Represent the department's authorities and responsibilities on the Exxon Valdez Trustees Council.
- Adjudicate administrative appeals of department decisions.
- Approve department regulations for public notice and adopt final regulation changes for filing with the Lieutenant Governor.
- Provide administrative support services to customers and clients of the department.
- Develop and implement sound administrative policies and practices for the department.
- Provide timely and accurate information.
- Minimize risk from operations.
- Enforce protective standards for environmental and sanitary practices.
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End Results	Strategies to Achieve Results
<b>A: Effective, efficient administrative support.</b>  <u>Target #1:</u> 90% of survey respondents rate support services at acceptable or higher. <u>Measure #1:</u> % of survey respondents rate support services at acceptable or higher.	<b>A1: Lead development and implementation of Department initiatives.</b>  <u>Target #1:</u> Strategic Plan is 100% implemented by fiscal year 2008. <u>Measure #1:</u> % of Strategic Plan implemented.  <b>A2: Improve availability, quality, and quantity of data for external and internal users.</b>  <u>Target #1:</u> Network is available to employees 7 days a week. <u>Measure #1:</u> % of time network is available.  <b>A3: Ensure compliance with all federal and state requirements.</b>  <u>Target #1:</u> 100% of audit exceptions investigated and successfully resolved. <u>Measure #1:</u> % of audit exceptions investigated and successfully resolved.  <b>A4: Investigate criminal violations.</b>  <u>Target #1:</u> Criminal violations are investigated and successfully resolved. <u>Measure #1:</u> % of criminal investigations successfully investigated and resolved.

### Major Activities to Advance Strategies

- Lead the department to accomplish goals and communicate performance.
- Lead the development of protective standards.
- Work within the government and with stakeholders, the public and the legislature to communicate department initiatives and needs.
- Develop and maintain support services for the department's customers and clients; other agencies, the legislature and department employees.
- Identify departmental training needs and develop training plans.
- Develop enforcement procedures for departmental permitting programs.
- Develop and maintain policies and procedures governing financial, budget, procurement and information systems management.

### FY2008 Resources Allocated to Achieve Results

FY2008 Results Delivery Unit Budget: \$7,588,500

**Personnel:**

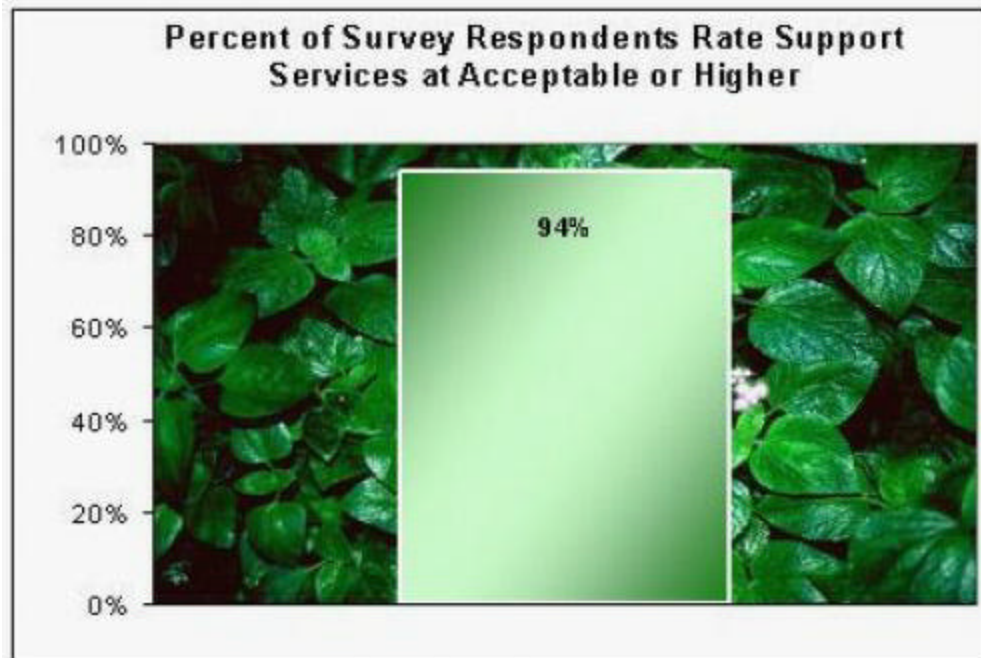
Full time	57
Part time	0
<b>Total</b>	<b>57</b>

### Performance Measure Detail

#### A: Result - Effective, efficient administrative support.

**Target #1:** 90% of survey respondents rate support services at acceptable or higher.

**Measure #1:** % of survey respondents rate support services at acceptable or higher.



**Analysis of results and challenges:** This survey is done on a three year cycle. Results from a survey taken in FY2005 show that 94% of the Division's customers are satisfied with the support services being provided. Results will be updated with a new survey in FY2008.

## A1: Strategy - Lead development and implementation of Department initiatives.

**Target #1:** Strategic Plan is 100% implemented by fiscal year 2008.

**Measure #1:** % of Strategic Plan implemented.



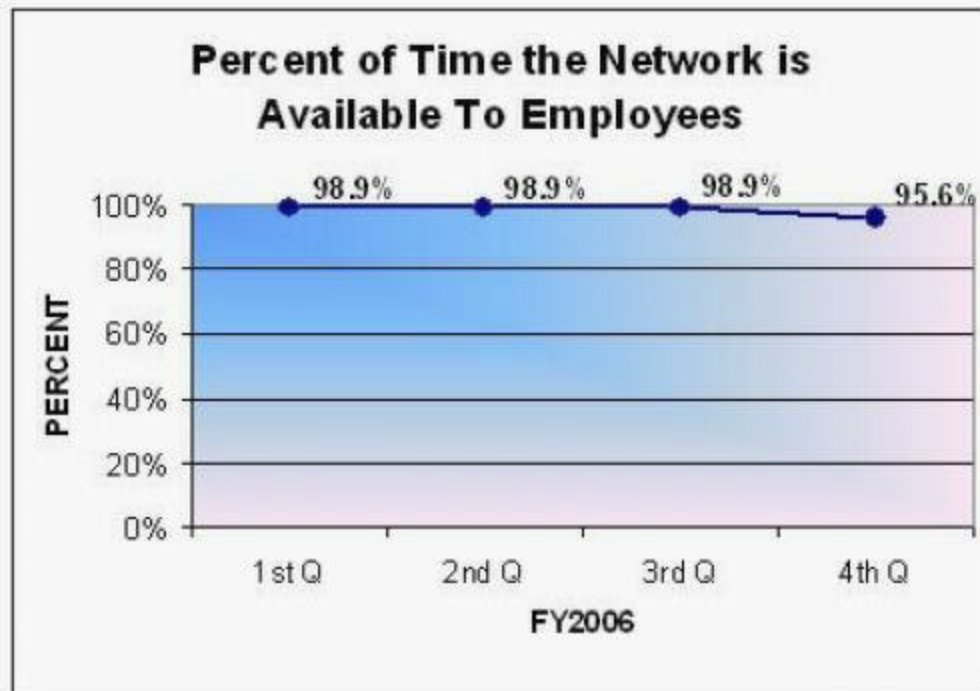
**Analysis of results and challenges:** DEC's strategic framework is based on the premise that, if we fulfill our duties (statutorily mandated) and accomplish our mission, the ultimate result will be that public health and the environment will be protected. We do this by influencing external entities to prevent abate or control pollution through a comprehensive protection program. We don't prevent pollution – we influence others to take preventative action and establish standards by which to measure success.

This measure determines departmental progress against the 4 Year Strategic Plan. Progress is measured against expected results for individual projects, and averaged over the department. Within the strategic plan, performance exceeds expectations.

**A2: Strategy - Improve availability, quality, and quantity of data for external and internal users.**

**Target #1:** Network is available to employees 7 days a week.

**Measure #1:** % of time network is available.

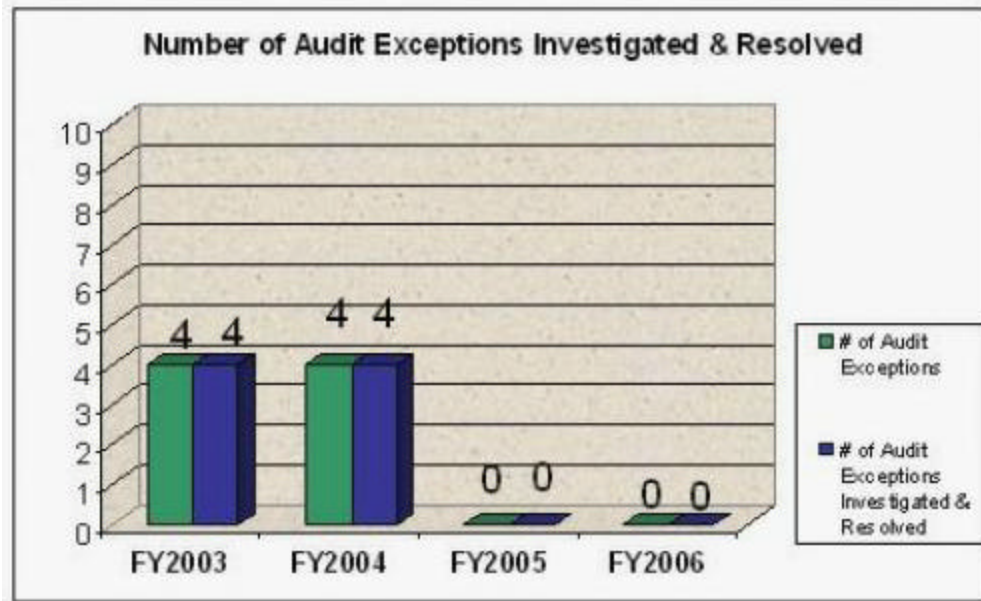


**Analysis of results and challenges:** During FY2006 the Network Services Section was able to successfully provide network services 7 days a week. The results were based on the uptime of 17 critical department servers providing file and print, mail, and web services. A full day of network downtime was counted any time at least 1 server was down for more than 8 hours. Routine maintenance downtime was limited to short periods during the off hours.

### A3: Strategy - Ensure compliance with all federal and state requirements.

**Target #1:** 100% of audit exceptions investigated and successfully resolved.

**Measure #1:** % of audit exceptions investigated and successfully resolved.



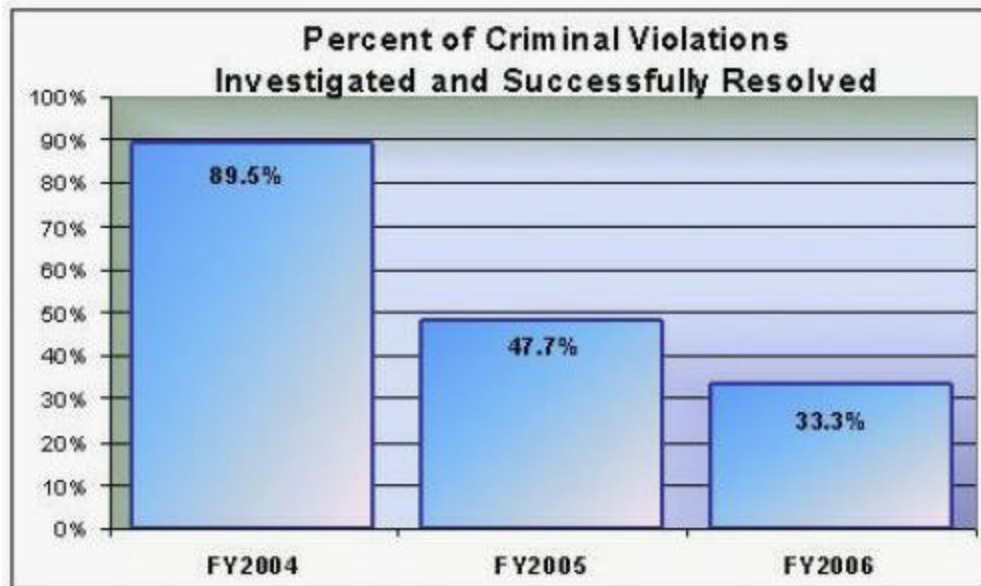
**Analysis of results and challenges:** Data for this measure is available on an annual basis only. The statewide single audit is performed annually and results are published upon completion. Quarterly data is therefore not available.

The statewide single audit results for FY2006 will not be available until September of 2007.

### A4: Strategy - Investigate criminal violations.

**Target #1:** Criminal violations are investigated and successfully resolved.

**Measure #1:** % of criminal investigations successfully investigated and resolved.



**Analysis of results and challenges:** Normally environmental violations are enforced by ADEC's regulatory staff

through administrative or civil remedies. However, when harmful conduct becomes intentional, knowing, or reckless, criminal enforcement must be considered.

The Environmental Crimes Unit is responsible for investigating the most complex and egregious violations of environmental law. Violators must be identified and sufficient evidence collected in order to successfully resolve an investigation. The effectiveness of this unit can be measured by its ability to successfully resolve a high percentage reported criminal violations.

There were 21 criminal investigations initiated by the Environmental Crimes unit in fiscal year 2006. Of those 21 investigations 7 have been resolved and the remaining 14 were still under investigation at the end of this reporting period. Due to the complexities of many of these investigations, they are not resolved in the same fiscal year as reported, but will be resolved in the following fiscal year. The percentage of FY2005 investigations resolved increased to 47.7% and the percentage of FY2004 investigations resolved increased to 89.5%.

## Key RDU Challenges

- The Commissioner's Office clearly communicates to the public and affected stakeholders what services can be realistically expected from the department's human and fiscal resources.
- The department has a large volume of data that is not easily accessible and we need to continue with our data integration efforts. This effort requires the conversion of numerous Access databases into the department standard SQL server with common indexes which are accessible across the divisions. Additionally, it will provide a common facility mechanism to be used as a shared key across divisional data stores. This will assist stakeholders within state government and without in accessing, filtering and using a broader set of related data for making good business decisions.
- Hiring and retaining competent staff continues to be a challenge. Due to higher salaries and benefits offered by the private sector, the department continues to lose good employees; impacting our ability to manage programs successfully.
- The department will continue to identify areas that can be managed in a more efficient manner and implemented as identified.

## Significant Changes in Results to be Delivered in FY2008

None.

## Major RDU Accomplishments in 2006

The department was successful in working with interested stakeholder work groups and the public on the following major state policy issues:

### Better Permitting

The department continued its commitment to strengthen water and air permitting. Permits are essential to environmentally responsible development. They provide important information about impacts on the environment. A permit provides all stakeholders the opportunity to learn about a proposed project, comment, and receive a substantive response from us before final decisions are made.

Air Permit reform and streamlining is now structurally complete – all statutory and regulatory changes are finalized. Streamlined services with shorter, predictable permit delivery are being accomplished. However, additional improvements are still expected in FY2008 as performance audits and quality management tools provide important feedback on how well the reform is accomplishing each of its intended goals.

In FY2003, the Commissioner approved a complete overhaul of the regulations that we use to protect Alaska's water. We began with raindrops and followed water to the ocean to identify gaps in our present regulations. This work was long overdue and allowed us to establish a four year strategic plan for reviewing standards, updating regulations and program re-design. Water programs across the department were evaluated and reorganized.

In FY2005, new legislation was passed directing DEC to seek primacy for the National Pollutant Discharge Elimination System (NPDES) wastewater permitting program currently managed by EPA in Seattle. NPDES program development

has been initiated and beginning in FY2008, permitting, compliance and enforcement will be done by Alaskans who are knowledgeable about Alaskan conditions. DEC is also developing regulations: 1) that provide for department automatic authorization, or "permits by rule", for lower risk wastewater discharges which meet specified eligibility, minimum standards and practices, notification, and fee requirements; 2) that improve water quality standards and ensure they reflect current science and legislative direction; and 3) that integrate the department's permitting of projects with multiple waste streams, such as mines.

In other areas staff:

Revised the department's water quality standards for mixing zones, residues, and natural conditions.

- Revised the low-interest municipal loan program to allow communities to borrow for projects that address nonpoint sources of water pollution such as storm water run-off, landfill leachate and harbor wastes. Eight communities have applied under the new guidelines, primarily to protect groundwater.

Updated the village safe water requirements to reflect expectations for sustainability of sewer and water facilities.

- Collected important data of Alaska's coastline through the Environmental Monitoring and Assessment Program to assess the health of our waterways.

#### Improved Oil Spill Safety and Economic Redevelopment of Contaminated Sites

Legislation introduced by the Governor to increase on-the-water spill drills, equipment testing and inspections has resulted in a 30% reduction in spills from regulated facilities. This significant accomplishment is the result of shifting from paperwork to practice through more practical development of reliable response skills for both government and industry. The benefit has also shown in the very successful response to a major oil spill in the Aleutians caused by the Selendang Ayu. The response implementation of the states' zero tolerance policy for protecting Alaska's wild salmon, Pollock, and crab resulted in record harvests, no contamination of seafood product and no depression of market prices as a result of the spill. The combined value of these fisheries was over \$600 million.

Economic redevelopment of contaminated sites through an innovative risk based approach for cleanup has resulted in the reuse of contaminated properties in Fairbanks for construction of Wal-Mart, Home Depot and Fred Meyer stores. Other reuse successes include the revitalization of a seafood processing facility in southwest Alaska and redevelopment of the closed pulp mill sites in Sitka and Ketchikan.

#### Effective Food Safety Statewide

In FY2003, the Commissioner initiated a complete redesign of our food safety program. Our previous approach depended heavily on regular site inspections and was virtually impossible to deliver consistently across our large and roadless state. Our new approach follows NASA's successful program developed for the manned spaceflight program. It relies on operator certification, restaurant specific risk management and rigorous enforcement by DEC. With passage of the necessary legislation, this new program provides equal protection from Metlakatla to Barrow. It holds owners and operators responsible for knowing how food becomes contaminated and assures that standard operating procedures protect their customers. We are moving from the spot inspection of the past to mandatory every-day management systems. We plan to implement food safety regulations in FY2007.

#### Better Understanding of Public Health Threats

As a result of human health studies, EPA was requiring ultra low sulfur fuel for diesel trucks and buses by 2007. While there are few trucks and buses in rural Alaska, every community depends on diesel generators for electricity. National initiatives will not help us decide the safest course for Alaskans. During FY2004, we developed and submitted a plan to the EPA for the gradual implementation of ultra low sulfur diesel fuel for use in trucks and buses in rural Alaska. The recommendation provides flexibility for rural communities to bring in the fuel as they need it, within a 2010 deadline for use of ultra low sulfur diesel in all diesel vehicles. The plan provides adequate time for DEC to assess rural health risks from diesel fuel use as necessary to support an infrastructure and fuel choice decision before 2010.

Funds were also allocated to continue fish tissue sampling to measure mercury in Alaskan species. Both the EPA and the FDA have issued repeated warnings about exposure to mercury in fish. We are conducting this study to provide Alaska specific information about the quality of our subsistence, sport caught and commercially harvested stocks. The average consumption of subsistence caught fish in Alaska ranges from 10 to 20 times more than the consumption levels used by EPA. The commercial catch is important too. Alaska's 5 billion pound harvest represents over 50% of the total US commercial catch.

#### New Environmental Health Laboratory

After 35 years in a renovated grocery store, the State built a laboratory with sufficient capacity to safely test food grown and harvested in Alaska, and monitor animals for transmittable diseases. The new facility was recently approved by the



U.S. Department of Agriculture to analyze birds for Avian Influenza. It is the only laboratory in Alaska, one of 40 nationwide, certified to conduct this testing. In the past, Alaska was unable to test for many animal diseases of concern. We now have a facility that is capable to do this important work locally.

### Contact Information

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**Administration**  
**RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2006 Actuals				FY2007 Management Plan				FY2008 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b><u>Formula</u></b>												
<b><u>Expenditures</u></b>												
None.												
<b><u>Non-Formula</u></b>												
<b><u>Expenditures</u></b>												
Office of the Commissioner	373.7	374.1	32.8	780.6	394.9	395.4	48.0	838.3	451.0	451.0	245.3	1,147.3
Information & Admin Services	540.5	1,043.8	4,821.9	6,406.2	574.6	1,093.7	2,452.0	4,120.3	639.6	1,216.2	2,784.0	4,639.8
State Support Services	1,244.5	124.9	205.7	1,575.1	1,377.1	124.9	222.5	1,724.5	1,454.0	124.9	222.5	1,801.4
<b>Totals</b>	<b>2,158.7</b>	<b>1,542.8</b>	<b>5,060.4</b>	<b>8,761.9</b>	<b>2,346.6</b>	<b>1,614.0</b>	<b>2,722.5</b>	<b>6,683.1</b>	<b>2,544.6</b>	<b>1,792.1</b>	<b>3,251.8</b>	<b>7,588.5</b>

**Administration**  
**Summary of RDU Budget Changes by Component**  
**From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>2,346.6</b>	<b>1,614.0</b>	<b>2,722.5</b>	<b>6,683.1</b>
<b>Adjustments which will continue current level of service:</b>				
-Office of the Commissioner	0.5	0.4	0.0	0.9
-Information & Admin Services	0.0	0.1	49.1	49.2
-State Support Services	-23.6	0.0	0.0	-23.6
<b>Proposed budget increases:</b>				
-Office of the Commissioner	55.6	55.2	197.3	308.1
-Information & Admin Services	65.0	122.4	282.9	470.3
-State Support Services	100.5	0.0	0.0	100.5
<b>FY2008 Governor</b>	<b>2,544.6</b>	<b>1,792.1</b>	<b>3,251.8</b>	<b>7,588.5</b>